

# FOREIGN POLICY BULLETIN

*An interpretation of current international events  
by the Research Staff of the Foreign Policy Association*



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## Will U.S. Implement New Stand On Palestine?

WASHINGTON — By recognizing the new state of Israel, President Truman on May 14 established grounds for the current American official opinion that the Arab war against Israel and the Arab attacks on Israelis in Jerusalem disturb international peace. Accordingly, Warren R. Austin on May 17 asked the UN Security Council to find that the war in Palestine constitutes a "threat to the peace and a breach of the peace" under Article 39 of the Charter, which authorizes the UN to invoke sanctions and use military force to restore peace. Although the recognition was a unilateral action, Truman has endeavored subsequently to deal with the problems now raised by Palestine through the UN machinery of international co-operation. But the refusal of Britain and the other major members of the Security Council (except the U.S.S.R.) to support the American position tempts the Administration to consider further unilateral steps. Alben Barkley, the minority leader of the Senate, on May 21 said he hoped the Administration would lift the American embargo on the export of arms to the Israelis "at the earliest possible moment."

### Truman's Palestine Quandary

Both the situation in the Security Council and the repetition of Barkley's suggestion by other important Americans have thrust Truman into a quandary, because Palestine is now the focus of many major questions involved in his foreign policy.

While the President may fear that inaction by the UN will lead to the conquest of Israel and the re-establishment of a unitary Palestine, under Arab control,

at the same time he is faced by the possibility that in taking further action outside UN, he not only might harm that institution, but might damage our relations with the United Kingdom, which by war materials, military advice and pounds sterling supports the attacking Arab armies. In this event the whole balance of the Western line-up for the containment of Russia would be shifted. The British government is reported to believe that by helping the Arabs it is reducing the likelihood that Communists, representing Russian interests, will gain power in the Middle East. Russia, on the other hand, having recognized Israel as a *de jure* state, might claim the right to intervene in that Middle Eastern region if the Arabs come close to overrunning Israel. Concern about Russia dominates both American and British policy.

One possible fruitful action for Truman, if he is seriously bent on intervention to stay the Arabs, is the application of diplomatic pressure on Britain in order to obtain British support in the Security Council for the American resolution of May 17. Lewis Douglas, American Ambassador in London, was instructed to confer with British Foreign Secretary Bevin about the Palestine issue. Thus far Foreign Secretary Bevin has not swerved from his course, and the Labor party conference in Scarborough, which ended on May 21, had found no fault with Bevin's policy. Brigadier John Bagot Glubb, a British army reservist, is the chief military adviser to the Arab legion of King Abdullah of Trans-Jordan, the strongest of the Arab armies attacking in Palestine, and is sub-

ject to recall to England. The United States could draw Bevin's attention to the British-Trans-Jordan treaty of March 15. Although it provides that each signer should come to the other's aid if one is involved in war, it also provides that the signers should try to obtain a peaceful settlement, through international machinery, of the controversy leading to war. But the United Kingdom is reluctant to cease representing the policies of its ally, Abdullah, in the Security Council. Britain in March 1946 declared Trans-Jordan, formerly the eastern portion of mandated Palestine, to be a sovereign kingdom.

### Could the U.N. Act?

Countering the American proposal that the Security Council confront the Arabs with the possibility of diplomatic and economic sanctions and even military intervention, on May 19 Sir Alexander Cadogan suggested, on behalf of Britain, that the UN Truce Commission already operating in Palestine proceed with its efforts. Persuasion thus far has not terminated the war. When the General Assembly on May 20 appointed Count Folke Bernadotte of Sweden as Palestine mediator, he said there was "only one per cent" possibility that his mission — which he accepted — would succeed. The Truce Commission on the same day asked the UN by cable to send a military force to Palestine capable of making and enforcing an order to cease fire, but Cadogan had said that the UN had no forces. However, on May 22 the Security Council itself requested a cease-fire within 36 hours after midnight of that day. The Israeli troops promptly agreed to

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this request, but the Arab states asked for an extension of time. Meanwhile the battle over Jerusalem continued, and on May 22 snipers shot and wounded Thomas C. Wasson, American Consul General in Jerusa-

lem, a member of the Truce Commission, as he went about his task of mediation. Wasson died of these wounds on May 23. Disorders in the Middle East also impinged directly on American interests

through the removal by the government of Lebanon on May 20 of forty-one American citizens from the American ship *Marine Carp* at Beirut.

BLAIR BOLLES

## **British Laborites Chart Course For Next Two Years**

At their 47th annual party conference held at Scarborough, England from May 17-21, British Laborites adopted policies which they confidently believe will keep their party in office until 1950 and hope will win for them the next general election at that time. On domestic questions the government's nationalization program was again at issue, and the conference also debated at length Foreign Secretary Ernest Bevin's conduct of British policy abroad.

After having expelled party member Alfred Edwards, who had publicly opposed Labor's plan to nationalize the iron and steel industry, the conference approved the government's intention to bring this industry under public ownership before the end of the present Parliament. By coincidence, similar action confirming the expulsion of extreme left-wing member, John Platts-Mills, indicated approval of Bevin's policy toward Europe, Russia and the United States. Recommendation to expel Platts-Mills was made before the conference by the party's national committee when he and twenty other Labor party adherents sent a message of goodwill to the left-wing Italian Socialist party which favored a Communist victory in the recent Italian elections.

### **Socialist Unity in Europe**

Bevin's main support in the conference was marked by an overwhelming vote on a resolution favoring Labor party co-operation "with the European Socialist parties in taking practical steps to achieve the United Socialist States of Europe in complete military and political independence of the United States and the U.S.S.R."

This resolution, however, does not mean all that it says. It represents, of course, the Labor party's attempt to balance the growing appeal in Britain of the United Europe Movement headed by Winston Churchill. The Labor party in Britain was not represented at the recent Hague meeting of the United Europe Movement where plans for federation of the continent were discussed. This policy of abstention had been decided at a meeting of European Socialists in Paris, from April 22-25, when Hugh Dalton persuaded that con-

ference not to send delegates to The Hague. Both Foreign Secretary Bevin and Hugh Dalton made it clear at Scarborough that Britain did not favor European federation if it meant any setback for socialism either in Britain or Europe. Dalton emphasized that part of the resolution which spoke of the need to establish supranational agencies to take over from each nation powers to allocate and distribute coal, steel, timber, locomotives, rolling stock and imports from hard-currency countries. It was his view that Britain did not intend to risk her Socialist achievements by submitting too readily to the sovereignty of a European federation.

The Scarborough resolution, however, indicates that Britain has accepted the East-West split, and Bevin called on Russia to cease its "nerve war" as the only step which he could foresee that might prevent the permanent division of Europe. Again Dalton interpreted the resolution in a similar vein when he spoke on the military independence of a future United Socialist States of Europe. The foreign affairs resolution noted that the Conservative conception of a Western union, set up on a capitalist basis and joined in military alliance with the United States against the U.S.S.R., could not solve Europe's economic problems and would only lead to a third world war. But Dalton clarified the government's position by stating that it was not realistic to talk about "complete military independence," obviously suggesting thereby the continuation of military consultations with Washington.

Bevin's sponsorship of closer economic and military unity in Europe as provided by the Brussels pact of March 17, backed by American economic and military aid, will thus prevail as settled British policy. This is most in accord with the realities with which the Foreign Secretary is confronted, although it is not wholly satisfactory either to the Leftists, who oppose American economic and military aid, or to those who want a federal Europe in any democratic form, regardless of whether it is Socialist or capitalist. It will be recalled that Bevin first welcomed Secretary Marshall's offer of European aid, and also took

the first concrete step in proposing a Western European Union. He has had to steer a cautious course, however, so as not to alienate other members of the British Commonwealth of Nations, which do not appreciate as readily as Britain the need for European unity, especially if it involves a tight military alliance. Bevin has also proceeded slowly with plans for European union since they can have real meaning only if supported by Washington.

### **The U.S.-British Tie**

Britain's relations with this country are increasingly of top importance to London. From now on any serious opposition by the former left-wing rebel group in Parliament to United States-British economic and military co-operation can probably be discounted. But Labor leaders, as well as rank and file members, protest against suggestions from the United States as to how aid under the Marshall plan is to be used in Britain. Reports of possible American disapproval of steel nationalization were roundly denounced by various delegates at the Scarborough meeting, and the May 13 interview in London, given by W. Averell Harriman, roving Ambassador to the ERP nations, also caused alarm. Harriman hinted that Washington was reconsidering its policy toward the sterling area and the relation of European recovery to that financial system.

This is an acute problem for Britain, where, despite ERP aid, every effort must still be made to balance its international accounts. For all the interest in the foreign affairs debate proper at Scarborough, however, it was emphatically brought home to the party delegates that Britain's recovery depends mainly on improving production at home; then only can the gap between imports and exports finally be closed. Britain greeted passage of the European Recovery Act by the American Congress with almost universal acclaim. Yet British government spokesmen, like other Western European statesmen, are aware that American aid alone will not solve their most crucial economic problems. Recovery is basically a task which must be met in Britain and Europe.

GRANT S. McCLELLAN

# How Can U.S. and U.S.S.R. Best Make Peace?

The Smith-Molotov and Wallace-Stalin exchanges have still left unsolved the problem of how outstanding controversies between the United States and Russia might be most effectively settled. American spokesmen have pointed out that Russo-American divergences cannot be isolated from the rest of the world situation, having become inextricably interwoven with the interests of other nations. This is clear from the list of topics for negotiations drawn up by Henry A. Wallace in his open letter to Stalin, not one of which can be said to affect the two great powers alone. Washington, moreover, fears that bilateral negotiations with Moscow would merely result in fresh demands for concessions by the Soviet government, and would redound to its advantage—if for no other reason than that they would be represented in the U.S.S.R. and abroad as a Russian effort to arrive at a peace settlement foiled solely by the opposition of the United States.

Yet at the same time even the announcement by the Moscow radio on May 10 of Molotov's reply to Ambassador Smith's statement had been greeted with relief at Lake Success, where the opinion was expressed that possible bilateral negotiations would be more fruitful than mere continuance of discussions in existing international agencies, as suggested by the United States. In support of this view, it was pointed out that little headway had hitherto been made toward Russo-American understanding at various international conferences, and that the United States itself, following the breakdown of the Big Four conference on Germany last winter, had indicated that for the time being it would not seek to renew multilateral negotiations. The virtual breakdown of the London conference on the Austrian peace treaty on May 21, due to Russia's insistence on satisfaction of Yugoslavia's claims to Austrian territory, was cited both as an example of the futility of great power negotiations through established channels and as a practical demonstration of the insincerity of Russia's declared desire for peaceful settlement.

## Truce or Settlement?

Discussion of the most useful course to follow in Russo-American relations has raised many questions in this country; to most of which no one, except possibly some State Department officials who have access to information not available to the public, can be so rash as to offer definite answers. Does the Soviet government genuinely want peace? If so, does it seek merely a temporary truce, owing to the realization that in its present devastated condition, it cannot match the economic and military aid the United States plans to give the countries of Western Europe—or is it ready to consider a long-range settlement? Is its main purpose to allay the fears of the American people, and thereby cause a slowing down or postponement of military preparedness measures—or does it believe that it is in the interest of Russia to obtain a measure of political stabilization which would open up prospects for development of East-West trade in Europe, and possibly increase the flow of American goods needed for Russian reconstruction? Will evacuation of Russian and American troops from various areas, notably Korea, as proposed by Mr. Wallace, reduce world tension—or will it merely benefit Russia, if Russian-influenced governments seize power in the wake of evacuation?

While these questions are raised here about Russia, other questions are being asked in Europe about the United States. Is the American nation determined to carry out without hesitation the European Recovery Program? Will this country, having urged the peoples of Europe to stand up against Russia and communism, assure them adequate political and military support in the event of Russian pressure or retaliation? Assuming that the Kremlin, for the time being at least, is impelled by its own economic needs and by those of its neighbors to seek trade exchanges with the West, will the United States oppose them on the ground that they might strengthen the economies of Eastern Europe—or will it consider them a necessary adjunct of the ERP? Will

American rearmament be geared into the framework of the United Nations, or will it result in unilateral construction of a series of bases along the periphery of the U.S.S.R. which might endanger the position of nations within Russia's geographic orbit? Will the United States encourage countries receiving ERP aid to undertake economic and social reforms—for instance in Italy—or will it be content with the establishment of anti-Communist governments? Most important of all, will the United States, whatever policy it does adopt, display a consistency in carrying it out, the lack of which hitherto has proved a source of particular anxiety on the part of our potential allies?

The searching nature of these questions gives a foretaste of the manifold difficulties that are inherent in any attempt, after three years of mounting mutual suspicion and hostility, to effect a reconciliation between the United States and Russia. Awareness of these difficulties is causing some students of American-Russian affairs to doubt the possibility of anything like an over-all settlement in this period of transition further complicated by impending American elections. Instead, it is suggested that the two great powers, whether bilaterally or through UN agencies, or both, might explore the concrete possibilities of developing and expanding trade between East and West. On behalf of this relatively modest suggestion it is pointed out that a considerable degree of harmony was achieved by the UN Economic Commission for Europe at its recent conference in which both the United States and Russia were represented.

VERA MICHELES DEAN

(The second of three articles on new trends in American foreign policy.)

*Last Days of Europe: A Diplomatic Journey in 1939*, by Grigore Gafencu. New Haven, Yale University, 1948. \$3.50

The author was Foreign Minister of Rumania on the eve of World War II, and knew the principal protagonists in both the Allied and the Axis countries. He gives a thoughtful and balanced account of the events of that period, particularly interesting for the light it sheds on the negotiations between Russia and the Western powers that preceded conclusion of the Nazi-Soviet pact.

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# FPA Reaffirms Purposes

Statement by Brooks Emeny, President

To meet the growing nation-wide demand for community education in world affairs, the Foreign Policy Association is establishing a concrete program of expansion in this field. The recent receipt of special gifts for such a purpose, although limited in amount, will provide for the initiation of the program. This development of community education will not in any way diminish the research and publications program which has long constituted the underpinning of the Association's educational work. On the contrary, it will provide new and enlarged channels for membership and for the sale and distribution of FPA publications with resulting important increase in much-needed revenue for general maintenance purposes.

While planning a far-reaching and varied program of community education, the FPA, like all educational institutions and publishing concerns, faces mounting problems created by increased prices of paper and printing and necessary increases in salaries and other costs. To meet these problems, certain changes have had to be made with regard to the FPA staff and to publication schedules. We are confident, however, that these changes, while transitional, will not affect either the maintenance of our standards of research and publications or the general efficiency of our administrative operations.

## Publications

The following changes have been made as a result of discussions in the Council of Branches on April 23 and 24:

The number of *Foreign Policy Reports* to be brought out annually has been reduced from 24 to 20. No *Reports* will be issued during the months of July and August.

The *Headline Series* is to be maintained according to the past schedule of six per year during 1948. If the financial situation requires it, the number of issues of the *Headline Series* may be reduced in 1949. As requested by Branch representatives, the series will contain the same number of pages and maintain the same standard of authorship.

Issues of the *Foreign Policy Bulletin* are to be reduced from 52 to 46 a year. The

*Bulletin* will appear on the usual weekly schedule except during June, July and August, when it will be issued biweekly.

## Research Staff

In the past the Foreign Policy Association has maintained a research staff of seven members, with an assistant editor and a research consultant. To conserve funds, the fields of the Far East, Colonial Areas, and Britain and the British Empire will no longer be covered by staff members. The fields of Russia, Europe, Latin America, and International Economics will continue to be covered by the Research Department.

For coverage on developments in the Far East, Colonial Areas, and Britain and the British Empire, the FPA will invite contributions from scholars and experts outside the staff. In this respect it is hoped that the Institute of Pacific Relations and university institutes for regional research will be of special aid.

## National Program

The Foreign Policy Association has at present a membership of about 29,000. Over half of this number belongs to 36 Branches and Affiliate organizations. It is interesting to note that 34 additional cities have made inquiries during the past year with regard to the organization of local Branches or Affiliates. During the coming year it is hoped that such organizations may become established in the communities concerned. This would mean a doubling of the number of our Associations and a very considerable increase in our membership.

The Foreign Policy Association is on the road toward unification of its many parts and the knitting together of a truly national organization which can play an effective role in the education of citizens for the world responsibilities of the future. While the lines of convergence of different community efforts related to our own are not yet fully crystallized, it is quite evident that all are working toward a common goal of achieving strength through unity of effort.

## News in the Making

Favorable action on the renewal of the *Reciprocal Trade Agreements Acts*, which expires June 12, appears to depend on Republican leaders in Congress who have been won over to the view that this country can maintain its position in the world economy only by promoting freer trade. A six-day closed session of a House subcommittee on the tariff was followed by a decision of the Republican Steering Committee to recommend renewal of the legislation for one year only, and with amendments which would drastically alter the present technique of negotiating trade agreements. In the opinion of most students of the problem this program, if approved by Congress, will be a crippling blow to world economic co-operation, particularly the ERP. . . . Watch for *election results from South Africa*. The May 26 vote brought to an end the campaign which was fought mainly on the question of native policy. General Smuts' United party had charged the Nationalists with attempting to set up a slave state for all non-Europeans, while the opposition party accused the government of abandoning "white South Africa." . . . The interplay of colonial policy and home living standards is an important problem in the *Netherlands*, where efforts to balance the budget are impeded by military expenditures in Indonesia. According to the *New York Times*, the president of the Netherlands Bank has urged that budget costs be cut by reducing the official establishment and taking early action toward gradual abolition of price subsidies. The latter measure, however, would almost certainly cause labor unrest and sharpen demands for general wage increases. Government quarters are said to prefer a reduction in real wages, hoping for partial compensation through increased productivity or price cuts. . . . Growing interest on the part of *Latin American countries* in integrating their plans for economic development was displayed in two regional conferences held in May. Under UNESCO auspices, representatives of the ten nations bordering the Amazon River basin met in Iquitos, Peru, to pledge co-operation in developing the resources of that great watershed. On May 24 the First Gracolonbian Economic Conference was inaugurated in Quito, with delegations from Venezuela, Colombia, Panama and Ecuador.